



ASX ANNOUNCEMENT

ASX : CXO

28th August 2012

4% copper found in outcrop at new Choppy Prospect Fitton Project, northern S.A.

HIGHLIGHTS

- Copper mineralisation grading up to 4% Cu has been found in outcrop of the new magnetic targets identified at the Fitton project in South Australia
- Scale of copper, uranium and gold potential is building at Fitton
- First Fitton project drilling program planned for late in 2012

Core Exploration Ltd (ASX:CXO) is pleased to announce new high-grade copper assays of surface outcrop at the new Choppy Prospect within the Company's 100% owned Fitton Project (EL 4569) in northern South Australia.

The most exciting assays collected out of the 8 samples taken at the new Choppy Prospect include:

- Sample MP 00552: **4.7% Cu** **0.75 g/t Au** **20 g/t Ag**
- Sample MP 00552: **0.25% Cu** **1.0 g/t Au** **1.6 g/t Ag**

In addition to previously noted elevated uranium at the Scott Lee Prospect (also at Fitton), high gold and silver levels are associated with copper mineralisation at Choppy (Table 1 and Figure 2).

The Choppy Prospect is located 400m southwest of the promising Scott Lee Prospect. Copper mineralisation at Choppy consists of malachite bearing quartz + hematite rocks along zones of sheared granite that are magnetic at local scale (Figure 2).

Importantly, there are an increasing number of magnetic anomalies being defined by Core's recent magnetic surveys. Three new magnetic targets of similar dimensions to Scott Lee and Choppy have been identified to the east and south (Figure 1). Further mapping of these areas is currently underway to identify additional surface expressions of mineralisation.

The most significant magnetic anomaly identified to date is a much larger magnetic anomaly 2km south-west of the Scott Lee Prospect. While it is yet to be established if this new 1,400m long and 250m wide anomaly is associated with the same mineralising system, it nevertheless presents an exciting exploration target for further work (Figure 1).

As at the Scott Lee Prospect, mineralisation at the Choppy Prospect is associated with a shear zone and is magnetic at a local scale. Previous surface sampling by Core at Scott Lee has shown significant levels of copper and uranium. A number of samples contained highly anomalous uranium above 100ppm for a strike length of over 800m and graded above 1% copper over a strike length of 150m (Figures 2 & 3).

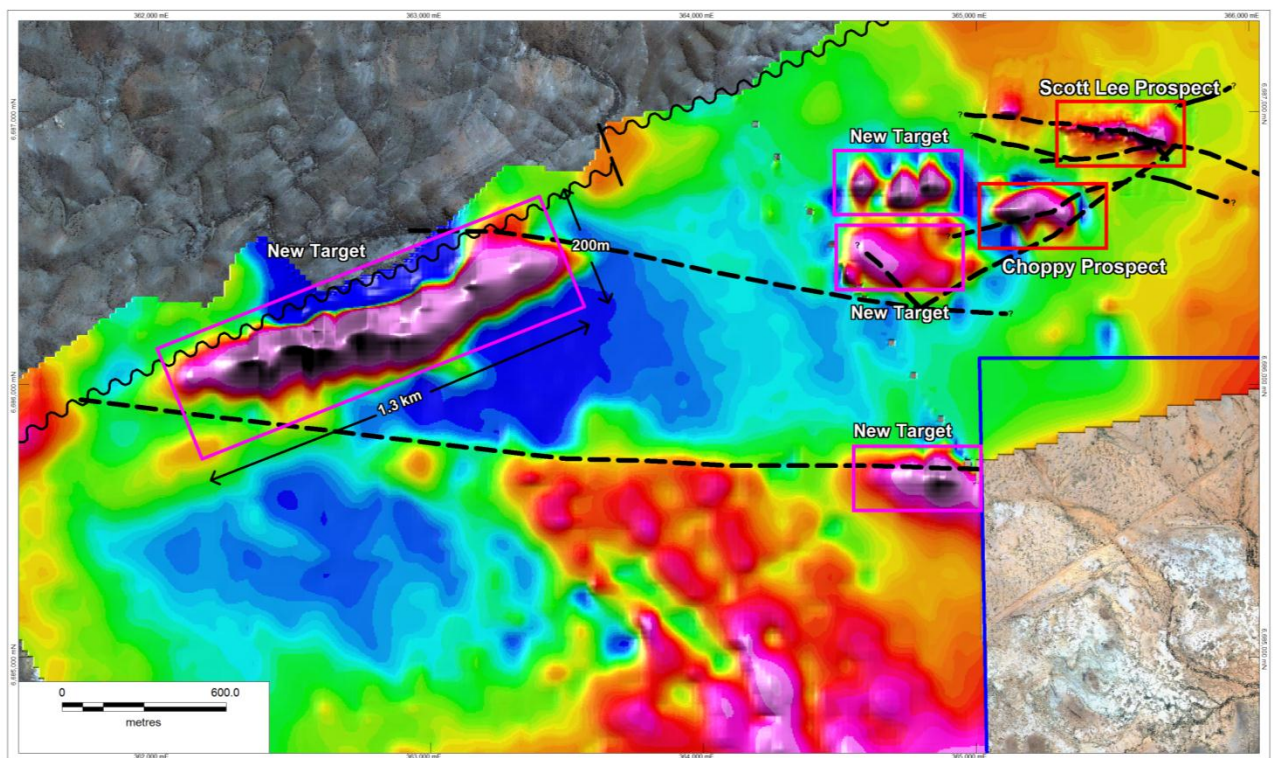


Figure 1. Prospect and target locations overlain on magnetic image, Fitton Project, S.A.

Next Steps

A follow-up mapping and sampling program has commenced at Fitton. Assay results are expected in late September.

Following the positive results of finding new outcropping copper mineralisation associated with ground magnetic anomalies, infill magnetics at the Scott Lee Prospect on 25m line spacing has been completed.

The magnetic anomaly at Choppy is of a similar strike length to Scott Lee, doubling the currently defined target size for drilling planned for later this year. Core's first drill program on Fitton is planned to commence later in 2012, subject to necessary approvals.

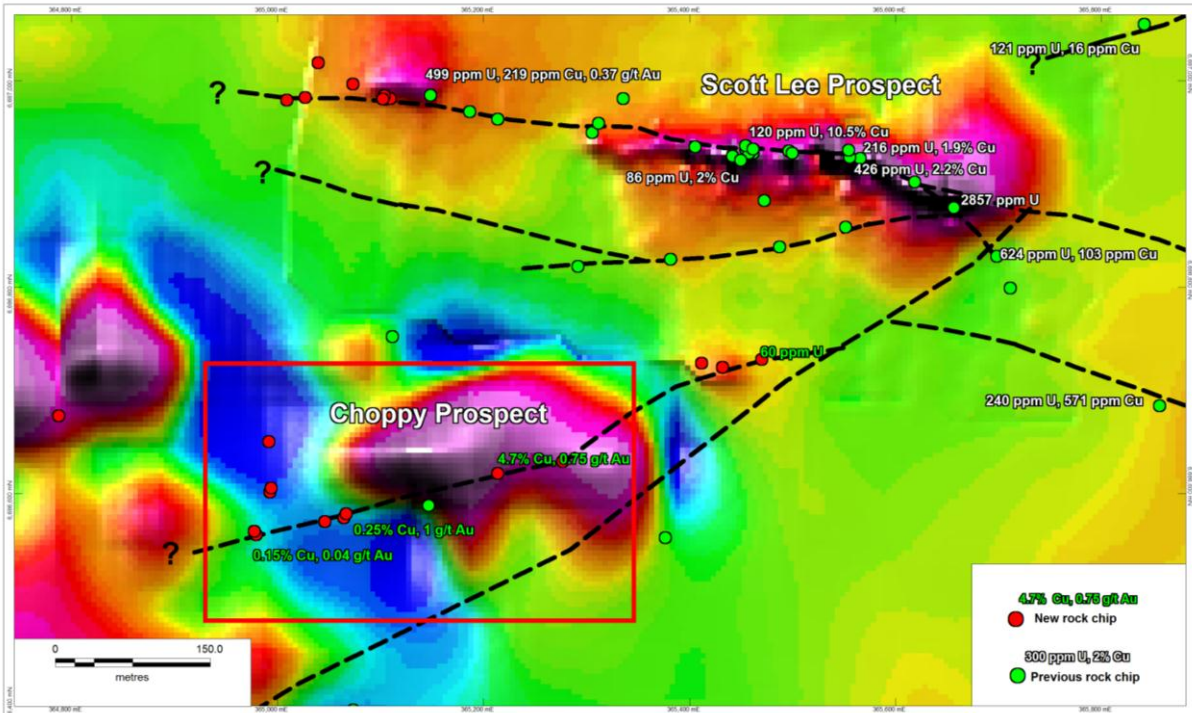


Figure 2. Sample and prospect locations overlain on magnetic image, Fitton Project, S.A.

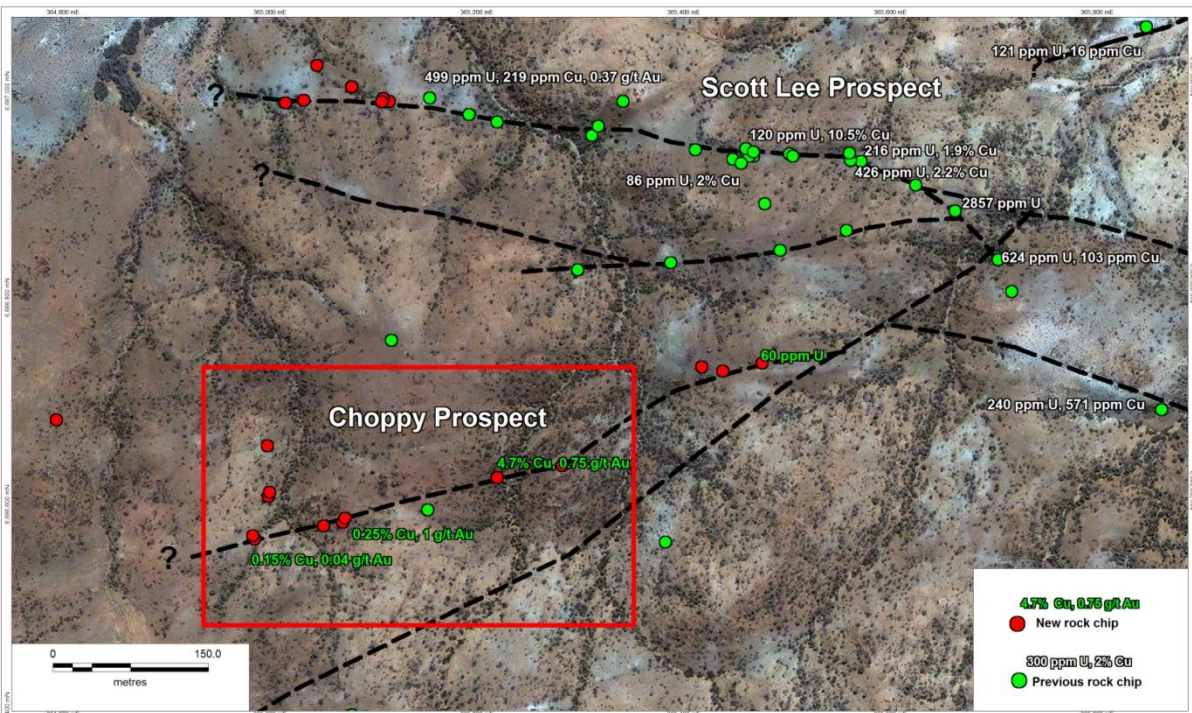


Figure 3. Sample and prospect locations overlain on satellite image, Fitton Project, S.A.



For further information please contact:

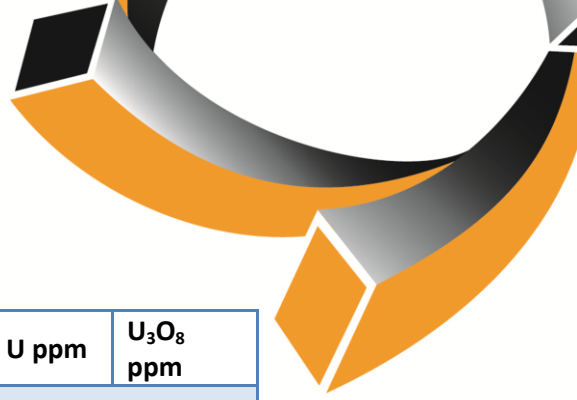
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The information in this report has been compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as Managing Director of Core Exploration Ltd and who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. As a Competent Person, he has a minimum of 5 years relevant experience in the style of mineralisation and types of activities being reported and has given written consent to the above report in the form and context in which it appears.

Table 1: Table of all rock chips samples collected by Core Exploration within EL 4569 during June.

Name	Easting	Northing	Au g/t	Ag g/t	Cu ppm	U ppm	U ₃ O ₈ ppm
Gold Prospect							
MP00520	364326	6684792	X	0.3	21	0.19	0.22
MP00521	364263	6684902	X	0.3	57	0.36	0.42
MP00522	364118	6685121	0.01	0.2	39	0.39	0.46
MP00523	364038	6685198	0.14	1	129	6.63	7.82
MP00524	363947	6685293	0.01	0.2	266	4.05	4.77
MP00525	363952	6685283	X	0.4	118	1.06	1.25
MP00526	363841	6685385	0.04	X	152	4.15	4.89
MP00527	363780	6685547	X	X	76	2.71	3.20
MP00528	363603	6685665	X	X	4	0.93	1.10
MP00529	363613	6685597	X	X	12	1.74	2.05
MP00530	363551	6685732	0.11	1.3	435	8.7	10.26
MP00531	363534	6685733	X	0.1	42	0.6	0.71
MP00532	363532	6685735	X	X	80	1.56	1.84
MP00533	363675	6685550	X	X	51	1.82	2.15
MP00534	363585	6685719	X	X	190	0.48	0.57
MP00535	363588	6685719	X	X	639	12.69	14.96
Scott Lee							
MP00536	365110	6686984	0.17	X	197	110.31	130.06
MP00537	365027	6686985	0.02	X	17	16.44	19.38
MP00538	365010	6686982	X	X	40	22.59	26.63
MP00539	365040	6687019	X	X	41	6.34	7.47
MP00540	365073	6686998	X	X	12	16.49	19.44
MP00541	365104	6686987	X	X	11	9.4	11.08
MP00542	365103	6686984	X	X	15	15.96	18.82



Name	Easting	Northing	Au g/t	Ag g/t	Cu ppm	U ppm	U ₃ O ₈ ppm
Choppy							
MP00543	365470	6686731	X	X	5	59.85	70.56
MP00544	365432	6686723	X	X	49	18.88	22.26
MP00545	365412	6686727	0.02	X	7	17.76	20.94
MP00546	365277	6686632	X	X	5	6.35	7.49
MP00547	365214	6686620	0.76	19.9	47235	8.28	9.76
MP00552	365065	6686577	1	0.7	2509	26.94	31.76
MP00553	365067	6686581	0.08	1.9	2019	9.81	11.57
MP00562	365046	6686574	0.01	0.3	199	5.3	6.25
Regional							
MP00548	364993	6686602	X	0.4	161	4.28	5.05
MP00549	364994	6686606	X	0.1	322	11.73	13.83
MP00550	361104	6685311	X	X	57	3.94	4.65
MP00551	361077	6685227	X	X	34	3.03	3.57
MP00554	364633	6686452	0.04	0.2	32	25.31	29.84
MP00555	364518	6686391	X	X	43	13.01	15.34
MP00556	364666	6686413	X	X	23	21.98	25.91
MP00557	364683	6686699	X	2.9	18	10.67	12.58
MP00558	364788	6686676	X	0.1	26	4.03	4.75
MP00559	364992	6686651	X	X	97	7.77	9.16
MP00560	364980	6686561	0.04	X	1491	10.97	12.93
MP00561	364978	6686564	X	X	1205	33.27	39.23

The presence of this mapped surface mineralisation and alteration may or may not extend at depth and this can only be confirmed by drilling. Au: FA25//AA Lead Collection Fire Assay: U: 4A/MS 4 Acid Digest Mass Spectrometry: Cu: 4A/OE 4 Acid Digest Inductively Coupled Plasma Optical Emission Spectrometry.